# Getting Results From Crowds

The definitive guide to using crowdsourcing to grow your business

**Ross Dawson** 

## Steve Bynghall

Advanced Human Technologies

## Build your business by tapping one of the most powerful trends in business today: **Crowdsourcing**

*Getting Results From Crowds* provides practical, pragmatic, clear guidance on how you can draw on the power of crowds to grow your business. Filled with real-life case studies and useful examples, it gives you everything you need to know to create success in a world where talent can be anywhere.

## What business leaders are saying:

"Ross Dawson and Steve Bynghall have masterfully delivered a comprehensive and strategically pragmatic guide to crowdsourcing. Each chapter elegantly lays out a key concept and then provides practical advice. This is the must read bible for effective crowdsourcing." **R** "**Ray**" **Wang**, Principal Analyst & CEO, Constellation Research

"Ross's latest book is a fantastic guide for businesses looking to access skills and drive innovation through crowdsourcing. I highly recommend it."

Peter Williams, CEO, Deloitte Digital

"Ross Dawson, the "crowd king", provides with Getting Results from Crowds a comprehensive and up to date review of how to make crowds work for you!"

Matt Barrie, CEO, Freelancer.com

"This is the smartest, most practical overview of crowdsourcing I've seen (and I think I've seen them all)."

## Lukas Biewald, CEO, CrowdFlower

"To make the most of the different crowdsourcing options available for your business grab a copy of Getting Results from Crowds — it will pay for itself many times over!"

Mark Harbottle, Founder, 99designs.com

For free chapters, additional resources, and latest insights go to the book website:

# www.resultsfromcrowds.com

\$25.00

# **Table of contents**

	i	Introduction	,
	FU	NDAMENTALS OF CROWDS	
	1 2 3 4	Crowds and crowdsourcing The rise of crowdsourcing Crowds and business value When to use crowds	. ( . 1(
	BUILDING RELATIONSHIPS		
	5 6	Relationship value	
	US	SING SERVICE MARKETPLACES	4
	7 8 9 10 11 12 13	Fundamentals of service marketplaces Specifying Finding talent Setting frameworks Rewarding Closing out Service marketplace overview	4 5 69 7
V	MA	ANAGING PROJECTS	97
		Project managementStructures and roles	
	CF	ROWDFUNDING	11
		Using crowdfunding platforms	
/1	US	SING OTHER PLATFORMS	137
_		Using competition platforms Using distributed innovation platforms Using microtask platforms Other ways crowds create value	. 149 . 16 <sup>-</sup>
11	CF	ROWD BUSINESS MODELS	18
	22 23	Crowd business models Getting results as a service provider	

# Using competition platforms

"	99designs is a great place to find designers to work with in the future.	
	Even if that person doesn't win the contest, you can contact them and	
	let them know you like their work. For the designers, it's a great place to	
	create leads for new clients.	"
	Jack Liu, Chief Community Officer, TeenBusinessForum	,,,

Competitions are a powerful method for small businesses to access the skills of creative people in fields such as design and marketing. They can also be a good way to find talented providers for long-term relationships. However running competitions is a participatory sport. You have to be actively engaged throughout the process to get good results.

## **Chapter overview**

- Competition platforms tend to focus on creative projects, such as design, marketing, brand naming, and video production.
- For the best results know what you want beforehand, pick a relevant platform, and prepare to set aside some time.
- You want to attract the best entrants so pay appropriately, write a great design brief, and invite good providers to participate.
- During the contest give feedback consistently as this steers providers to giving you a better result.
- Always pick a winner and get many opinions before making a final selection.

18



## How Sarah Sturtevant used a competition to find a designer

Sarah Sturtevant is the founder of Integrated Marketing Solutions Inc, a Canadian-based web marketing consultancy. She was looking for a new company logo so she decided to post a competition on crowdSPRING.

For the first 48 hours she didn't get any responses at all which she found slightly disheartening. Prompted by a suggestion on the crowdSPRING website, she decided to review some of the profiles of providers on the platform and invite them to enter the competition.

Despite getting one very curt refusal from one invitee, the logo designs started to roll in. At the half-way mark she had 29 entries. As she went along she rated each design between 1 and 5, an important indicator to the individuals of which designs she liked. With low scoring entries she also included a few words of feedback, so they could modify entries accordingly.

The vast majority of designs came in the later stages. In the end she had 122 entrants competing for the \$375 USD prize.

The winning entry came from a designer based in California who was one of the people who Sturtevant had invited to enter the competition after she had looked at his portfolio. He had an established background, including roles as staff art director for Rolling Stone and at the New York Times.

He had become a stay-at-home dad in his fifties and was producing fine art, but needed commercial work to pay the bills. Winning 37 contests in 8 months on crowdSPRING had helped, but of equal benefit to him had been the ability to connect to new clients through the contests.

Subsequently Sturtevant is talking to the provider about designing her letterhead, business cards, and website banners. She views the whole experience as a very positive one.

## **Fundamentals of competitions**

The principle of competitions is very simply offering a prize for the winning entry to a defined task. This is clearly not a new idea. Early instances of competitions are the Longitude Prize, in which the British government in 1714 offered a £25,000 reward for whoever could provide a reliable way to calculate a vessel's longitude, and French Emperor Louis Napoleon III's 1869 offer of a prize for a butter substitute, which soon resulted in the creation of margarine.

While large-scale competitions such as these are still used, online platforms now enable competitions to be run for a wide variety of small creative tasks. These tap large crowds of providers from which the best work can surface.

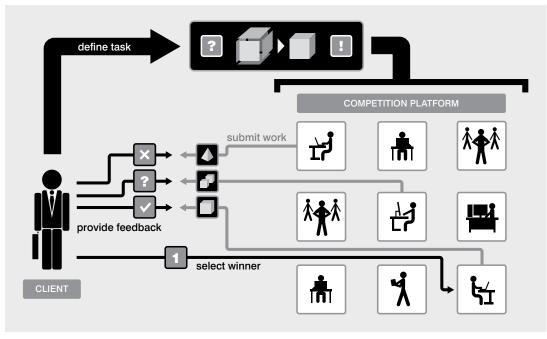
## How competitions work

Based on information contained in the brief, individuals enter the contest, get feedback from the client, and submit revised entries if they wish. The client then chooses a winner who gets a pre-defined reward. In some cases runners-up are also given prizes, or a broader range or participants are given payment for participating. The client gets the design or new idea and owns the copyright.

There are a number of web platforms that facilitate this process, with some of them focusing on one particular area such as graphic design, video production, or data analytics. The platform has a pre-registered crowd of workers, and also provides the technology that allows the competition to be run effectively.

Some approaches to distributed innovation also use competitions. Chapter 19 on Distributed innovation examines this in more detail. Data analytics competition platform Kaggle is also described in more detail in Chapter 21.

## **Conceptual overview of competition platforms**



## **Benefits**

Using a competition platform allows especially smaller businesses to be exposed to a wide variety of ideas and approaches that may not be available in-house or from a single provider. They also provide the opportunity to find and build relationships with providers whose style and approach is a good match with the client.

Using a competition platform is usually significantly less expensive than going to a traditional design agency for straightforward tasks such as product logo design. However it is also important to recognize that there can be substantial value created by design agencies, not least in creating a brief that is aligned with the client organization and its strategy. While some design jobs are appropriate for competition platforms on which there is limited scope for interaction with the designers, there are also some jobs that are best done by providers who can use a deep understanding of their client as context for any work done.

For providers, competition platforms provide an opportunity to add to their portfolio, establish relationships, develop skills, and build their reputation. However they are controversial. There are many in the graphic design community who refuse to participate in competitions and actively lobby against them. They believe that participating in competitions devalues the work of professionals because they are providing "on spec" work that they will likely not be paid for, as well as leaving them open to intellectual property theft. See also Chapter 4 for a discussion of some of the ethical controversies surrounding competitions.

## Large-scale competitions

While small design and content competitions are proliferating on the new competition platforms, some larger competitions are still being run using traditional approaches where competitors deal directly with the client. However an increasing proportion of corporate competitions are shifting over to the competition platforms, as they can handle all the logistics required, and have an existing pool of people keen to contribute. Companies including Unilever and The Financial Times have used competition platforms for tasks such as designing a concept for a TV advertising campaign.

## Types of competitions

Competitions can be used for a wide variety of tasks. The most common application is graphic design, as the format is very well suited to a competition process. There are a wide variety of competition platforms that have been launched in other domains, and no doubt competitions will be applied to many other creative tasks in years to come. Below are some of the existing types of competition with a few representative examples of platforms.

Common competitio		
TYPE Graphic design	DELIVERABLES Logos, website themes.	EXAMPLE PLATFORMS 99designs DesignCrowd crowdSPRING Guerra Creativa Freelancer.com
Writing	Blog posts, books.	crowdSPRING
Marketing concepts	Brand concepts, advertising campaigns, slogans.	ldea Bounty BootB
Music	Music for commercial use.	Minimum Noise
Video production	Commercials, promotional videos.	Poptent Brandfighters
Names	Product and company names.	Squadhelp Naming Force
IT Projects	Apps, algorithms, analytics, platforms.	TopCoder
Data analytics	Statistics, forecasting, models.	Kaggle

Chapter 18

## **Preparing for a competition**

You can maximize your chances of getting a successful outcome by putting in some preparation, rather than launching straight into the competition process. Here are some of the steps worth doing before the competition begins.

## Develop a clear idea of what you want

For the best results, try to generate a good idea of what you are looking for prior to the start of the contest. Although that often becomes clearer when you can respond to specific ideas, the more refined your initial ideas, the easier the process becomes. In particular for logo designs, you need to understand and be able to communicate effectively what fits and doesn't fit with the identity of your company or products.

## Set aside some time

Using a competition site does require an investment of time. It's usual to get many entries, in some cases well over 100. Considering the merits of each submission as well as giving prompt feedback can be time consuming. This time investment is part of what is required to get good results, so make sure you are not going to be too busy to respond to submissions.

## **Pick your platform**

Competition platforms add value not just by accessing a pool of talented participants, but also by providing a well-structured process of posting projects and viewing competition entries. They differ in their areas of specialization, the number and quality of providers, and some aspects of the competition process and workflow. Look at competitions under way, winning entries, and if you will have several jobs to do, try different platforms to see which works best for you.

## Write a detailed brief

The brief you write is all the providers have to go on. Unless you give a good understanding of the context of your competition and what you want from it, you are unlikely to get much that is useful. Most of the competition platforms provide templates that ask detailed questions, for example for a logo design competition who is the target audience, your competition, desired colors, what you do want, what you don't want, and so on. Put in the effort to answer these questions. As well as you can, make the competition and its outcomes sound interesting and engaging.

## **Posting your contest**

Once you have selected a platform and defined what you want, it is time to post your contest on the platform. Here are a few pointers on how to get the best results.

## Pay a good price

You should almost always offer more than the average fee on the site. Unless you get good providers attracted to enter the competition, you won't get good results. You don't necessarily have to pay among the highest fees on offer, though if you can afford it the additional investment will draw out the best providers who only participate when the prize is worth going for, and can be well worthwhile. If you can make the project interesting and the competition process engaging, you will still get good designers involved. Browsing previously posted projects will give you an idea of usual fee levels.

## Guarantee your budget

Most platforms allow you to guarantee your budget for a competition, so providers know that someone will win the prize. This demonstrates your commitment to the process, makes you more interested yourself in making it successful, and will definitely attract higher quality providers to your project. In any case you should always choose a winner, even if the outcomes weren't quite what you were looking for.

## Invite providers to work on your project

Some of the sites have directories of providers you can browse through, so you can invite providers with portfolios that you like. Providers usually respond well to personal invites, as long as the prize on offer is sufficient to interest them.

### Don't worry too much about the time

Contests have a default duration, and unless you are in a hurry it is worth sticking with the usual length. For design competitions around seven days is often adequate to get high quality entries. Longer competitions do not usually result in better outcomes. You may also find that the majority of entries (including the best ones) tend to come later in the contest than right at the beginning. Avoid extending the duration if possible, as participants who were expecting a prize to be awarded will quite possibly lose interest.

### Focus the competition on one type of task

It's best to focus each competition on one type of task. Providers may specialize in certain kinds of work and you don't want to get output where one part of the deliverable is excellent, and another part less so. Also if you are asking for too broad a task, some providers may not want to enter because of the amount of work involved.

## Decide whether the contest is open or closed

Most platforms will allow you to declare whether the contest is open or closed. Open contests allow those entering to see each other's entries and often the feedback others receive. Closed contests keep the entries private. The advantages of an open contest to you is that realistically entrants will look at each other's entries and your advice to them and will use that to refine their own entries. The disadvantage is you may start to get elements of plagiarism in entries, and you are cutting yourself off from those usually talented providers who only enter closed competitions, as they believe others may steal their ideas.

" Probably the most important thing that a buyer can do to be successful is to be engaged. Designers can't design in a vacuum. The more feedback and engagement that a buyer can provide in the course of the project, the higher the quality of the designs that will be submitted and the greater the likelihood of success. Mike Samson, CEO, crowdSPRING

"

## **During the contest**

During the competition you will be interacting with the crowd. This is perhaps the most important stage of attracting and developing the high quality entries that will meet or exceed your expectations.

### **Provide detailed feedback**

The more feedback you give, the more quality submissions you will get. Creative people don't work well in a void, and good feedback on designs gets a great response. Thank people for their submissions and efforts, and be respectful.

### Focus on the good designers

You can usually instantly tell from a submission whether a provider is competent. It is good to give feedback to all initially, even if it is just to point out to all what is wrong with the submission. However from the many entrants competing, you can often clearly see early on who has the capabilities to win.

Give them detailed feedback and specific encouragement to refine their submissions. Remember they have many competitions to choose from, and you want them to be putting energy into yours. Providing feedback and genuine engagement encourages these entrants.

### Use the star rating system and withdraw entries

When you have many entries it is difficult to provide individual comments on every entry. If it is an open content then providing some more detailed feedback earlier on gives all the entrants more clues to what you want. Later on, it is more important simply to indicate what you like and don't like.

Some sites have rating systems. It takes a moment to give a star rating and give very useful feedback to entrants. If it's clear that particular providers will never get there, just withdraw them. That provides clear feedback for everybody.

#### Get multiple opinions as you consider submissions

It can get overwhelming once you've looked at over 100 entries, and it's important to get multiple perspectives on what's on offer. Get opinions and suggestions from your team, friends and customers. What is being created will be seen by many people, so you want many opinions. Most platforms allow you to share selected submissions with your community so they can vote on their most popular ones.

## **Picking the winner**

So prepare the drum roll, open the golden envelope, it's time to announce the winner! But sometimes it's not as straightforward as it might seem. You might be struggling to work out just who should win, some entries may seem strangely familiar, or you may feel underwhelmed at the quality of entries.

### Always select a winner

Competition platforms often allow you not to select a winner if you haven't guaranteed the prize, but don't do it. You should pay for the best design. It's not fair on the designers if you don't select a winner, and you are not likely to get decent submissions if you use the service again later. If you have already guaranteed that you will pay then this is not an issue.

#### Compensate those that contributed

In an open contest it may be that some entries have built on others. If this is the case you should give a prize to those whose creative input clearly influenced the winning design. You may also choose to give prizes to the runners up. Most platforms allow you to allocate prizes, and in some cases build in rewards to more than just the individual winner.

#### Consider getting the winner to work on it more

If you have a clear winner from the competition, you might still want to try a few variations on the ideas or to develop it a little further. Offer to pay the winner a small amount extra to work through some other possibilities, to make sure you have the best version of the design.

#### Use competition platforms to find providers for other work

Competition platforms can be great for defined high-visibility projects, particularly in design areas such as logos, business cards, or flyers. But for many tasks it is easier to work with a single designer, particularly once they get to know you well.

One of the best reasons to use a competition platform is to find great designers you can work with on other projects. You can invite them to work for you directly or through an established service marketplace. Some of the competition platforms are establishing platforms to build an ongoing relationship with providers after you have discovered their talent in a competition.

### Check for plagiarism

You can expose yourself if you don't check the winner for plagiarism. Unfortunately it does happen. If it is a design competition, tools such as reverse image search on Google or TinEye allow you to find whether the image has already appeared on the web, and a variety of plagiarism detectors can uncover whether text is original.

146